



Committee On Finance

Max Baucus, Ranking Member

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Contact: Carol Guthrie (202) 224-4515
Demetrios Marantis (Hong Kong) 852-6779-2534

BAUCUS DISCOURAGED BY LACK OF PROGRESS AT HONG KONG MINISTERIAL

*If stalemates persist, Senator urges more focus
on agreements with trading partners more willing to engage*

Washington, DC – U.S. Senator Max Baucus (D-Mont.), Ranking Member of the Senate Finance Committee, expressed disappointment in the lack of progress so far at the WTO Ministerial Conference in Hong Kong. After four days of talks, negotiators have yet to bridge differences in the key areas of agriculture, non-agricultural market access (NAMA), and services.

"I am discouraged by the lack of progress in Hong Kong," commented Baucus. **"With only two days left, it doesn't look like there will be any breakthroughs."**

Talks have bogged down over a variety of issues, including efforts to provide "duty-free, quota-free" treatment to least developed countries as well as the insistence of the European Union that the United States overhaul its food aid program.

"Despite the heroic efforts of Ambassador Portman and his negotiating team, the EU and others have resorted to diversionary tactics that have blocked progress on all key issues," noted Baucus. **"With the time we have remaining, let's get back to the basics and focus on the real issues – reductions in EU agricultural tariffs and increased market access for industrial goods and services."**

Progress in Hong Kong is an important step to concluding the WTO's Doha negotiations before the expiration of the U.S. Trade Promotion Authority (TPA) in mid-2007. Under TPA, the Bush Administration has the authority to negotiate trade agreements that are not subject to amendment by the Congress.

"TPA expires in 18 months," noted Baucus. **"If the 150 WTO members can't figure out how to make progress, we should focus more of our limited resources on negotiating bilateral agreements with commercially meaningful trade partners – like Korea and Malaysia – which understand the benefits of open markets."**

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